

**PRELIMINARY REPORT**  
**EVALUATION OF REUSE AND DISPOSAL OPTIONS FOR**

**PMA # 3692**

Updated November 2007

Resolution 29799 directs that the Executive is to make its recommendations on the reuse or disposal of excess property on a case by case basis, using *the Procedures for Evaluation of the Reuse and Disposal of the City's Real Property* adopted by that resolution. Additionally, the Resolution identifies guidelines, which are to be considered in making a recommendation. This report addresses each of the guidelines outlined in Resolution 29799 in support of the recommendation. This report also follows those provisions of Resolution 30862, adopted May 1, 2006, that amended Resolution 29799.

*Property Management Area:* **PMA No. 3692 – Hanford Street Regulator/Parking  
8th Avenue South & S. Hanford Street  
Seattle, Washington**

**BACKGROUND INFORMATION**

*Legal Description:* A portion of Lot 1, block 238, Seattle tidelands, according to the official survey thereof, being situated in the Northwest Quarter of Section 17, Township 24 North, Range 4 East, W.M., in the City of Seattle, County of King, State of Washington, said portion being more particularly described as follows:

Beginning at the northwest corner of said Lot 1, said corner being also the southeast intersection of South Hanford Street with 8<sup>th</sup> Avenue South; thence South 88° 51' 53" East along the South line of south Hanford Street at a distance of 39.00 feet; thence South 01°08' 07" West parallel with the east line of 8<sup>th</sup> Avenue South a distance of 9.66 feet; thence South 46°08' 07" West 37.25 feet; thence North 88°51' 53" West parallel with the south line of South Hanford Street a distance of 12.66 feet, more or less, to intersection with the east line of 8<sup>th</sup> Avenue South; thence North 01°08' 07" East along said east line a distance of 36.00 feet, more or less, to the point of beginning . Subject to a surface easement declared by Superior Court Cause No. 650975 and described as follows:

All that portion of the above described tract of land lying easterly, southeasterly and southerly of the following described line: Beginning at a point on the north line of the above described property distant 31.00 feet east easterly along said north line from the northwest corner of said tract of land; thence South 01°08' 07" West 12.00 feet; thence South 46°08' 07" West 26.87 feet; thence North 88° 51' 53" West 12.00 feet, more or less, to intersection with the westerly line of the above described tract of land.

*Physical Description and Related Factors:*

This particular piece of property is an irregular shaped five-sided parcel which lies near the intersection of 8<sup>th</sup> Avenue South and South Hanford Street, about 1.5 blocks west of the old Rainier Brewery plant. It is now located inside the boundaries of the Puget Sound Regional Transit Authority's Sound Transit maintenance base. The King County Assessor gives it a street

address of 3200 8<sup>th</sup> Avenue South and Tax Parcel Identification No. 766620-3076. It comprises a total area of 1057 SF and is zoned IG2 - General Industrial 2 with a height limit of 85 feet for retail, office, entertainment, research and development uses. It is located in the Duwamish Manufacturing and Industrial Center, amid a number of trucking and manufacturing concerns

**GUIDELINE A: CONSISTENCY**

*The analysis should consider the purpose for which the property was originally acquired, funding sources used to acquire the property, terms and conditions of original acquisition, the title or deed conveying the property, or any other contract or instrument by which the City is bound or to which the property is subject, and City, state or federal ordinances, statues and regulations.*

In 1966 Ordinance No. 94957 authorized the Hanford Street Regulator Agreement which set forth a cooperative arrangement between the City of Seattle and Metro for the acquisition of a site for and the design, construction, operation, and maintenance of regulator structure at the subject property site. The regulator was needed to divert storm water from the Hanford Street trunk sewer of Metro to the proposed Diagonal Avenue Storm Trunk of the City. In December 1966 a Decree of Appropriation was entered in King County Cause No. 650975 whereby Metro became entitled to the site. The regulator was constructed in accordance with the Agreement. In 1988, Metro quitclaimed the property to the City of Seattle under Auditor's Recording No. 8802260185. The property is now under the jurisdiction of Seattle Public Utilities (SPU). Respondents in the 1966 condemnation proceeding retain full and unrestricted surface use rights over that portion of the property fully described in the last paragraph of the Legal Description above. Besides this easement, there are no other contracts or instruments by which the City is bound and there are no governmental regulation or laws to which said property is subject.

**GUIDELINE B: COMPATIBILITY AND SUITABILITY**

*The recommendation should reflect an assessment of the potential for use of the property in support of adopted Neighborhood Plans, as or in support of low-income housing, in support of economic development, in support of affordable housing, for park or open space; in support of Sound Transit Link Light Rail station area development; as or in support of child care facilities, and in support of other priorities reflected in adopted City policies.*

**Context**

This property is located within the City of Seattle and within the boundaries of the Duwamish Manufacturing and Industrial Center. It was identified in the inventory of city properties in the Duwamish as being surplus to the needs of the Seattle Public Utilities and in December 2001 the Real Estate Oversight Committee (REOC) approved Real Estate Service's recommendation that the property be sold to an adjoining landowner or by public bid. The property is not appropriate for the development of low-income or affordable housing. It is also not suitable for park or open space activity or in support of child care facilities. It is ideally located to provide support for Sound Transit since it is situated in the area purchased by the Puget Sound Regional Transit Authority as the location for the 25 acre Light Rail Central Maintenance base. Sound Transit has been engaged in discussions with SPU about incorporating the property into its facility. Circulation of this property in July 2001 engendered no expressions of interest or need from other city departments.

Range of Options.

Options for disposition of the property include sale by public bid, negotiated sale, long-term ground lease, or retention by the city. Circulation of the property among city departments in July 2001 generated no interest from any department in acquiring PMA No. 3692 for a present or future municipal purpose; therefore, neither retention of the property nor marketing for a long-term lease is in the city's best interest or makes any sense. A public bid sale would not be feasible since Sound Transit has acquired all the surrounding property; therefore, no other buyers would be interested in this small parcel. In light of Sound Transit's need for the property as part of the maintenance base, this PMA should be sold to Sound Transit in a one-to-one negotiated transaction.

**GUIDELINE C: OTHER FACTORS**

*The recommendation should consider the highest and best use of the property, compatibility of the proposed use with the physical characteristics of the property and with surrounding uses, timing and term of the proposed use, appropriateness of the consideration to be received, unique attributes that make the property hard to replace, potential for consolidation with adjacent public property to accomplish future goals and objectives, conditions in the real estate market, and known environmental factors that make affect the value of the property.*

Highest and Best Use:

This property is zoned IG2 – U/85 – General Industrial 2 with a height limit of 85 feet for allowed non-industrial uses. The highest and best use is one that is allowed within this zoning classification. Because this parcel is too small for development by itself, its inclusion as part of the 25-acre Light Rail Central maintenance facility is the most appropriate use of the land. The property has an assessed value of \$12,600. Sound Transit's recent appraisal sets the value at \$ 29,370.00

Compatibility with the physical characteristics:

The property sits in a longtime manufacturing and industrial sector of the City of Seattle. While no permanent structures can be built on the surface in compliance with the retained easement, it is needed for the maintenance base operations.

Compatibility with surrounding uses:

All the surrounding uses are industrial or warehousing. The Maintenance facility being built by Sound Transit presents a use that is consistent with and complementary to those activities.

Potential for Consolidation with adjacent public property:

There are no city-owned properties that lie adjacent to PMA No. 3692. There are several city properties nearby. The SPU Water Operations Center – PMA No. 731 – is situated about ¼ mile north along Airport Way South. Fire Station No. 14 – PMA No. 115 – is located approximately 1/3 mile to the west on 4<sup>th</sup> Avenue South. Consolidation of these city properties with this PMA is neither desirable nor feasible. The only adjacent public property is owned by the Puget Sound Regional Transit Authority.

Timing and Term of Proposed Use:

SPU has no further need for the property. SPU intends to sell the property to Sound Transit because Sound Transit wants to acquire the parcel and it would be of no benefit to any other

purchaser. SPU will ensure that all existing valid and legal utility and other easements on the property are preserved.

*Appropriateness of the consideration:*

The property should be sold for fair market value as established by a current appraisal.

*Conditions in the real estate market:*

The real estate market is generally cooling off. A negotiated sale between two public agencies will rely on a consideration of fair market value as well as the intergovernmental benefits to be gained by both the City and Sound Transit in effecting this deal.

*Known environmental factors:*

There are no environmental problems or factors that affect this site.

**GUIDELINE D: SALE**

*The recommendation should evaluate the potential for selling the property to non-City public entities and to members of the general public.*

The potential for selling this property to non-city public entities has been assessed. Circulation of the property reinforced Sound Transit as the only public agency interested in acquisition. The size and location of the property show means that there is no potential for selling this property to the general public.

**RECOMMENDATION**

The REOC approved a recommendation to sell PMA No. 3692 in December 2001. The Real Estate Services Division of the Fleets and Facilities Department recommends that PMA No. 3692, the Hanford Street Regulator, be sold by SPU to Sound Transit for an agreed negotiated price which represents the present fair market value.

